We think that 8 percent is a fair and reasonable threshold. In fact, it matches the threshold set in the majority leader's bill under the food stamp title.

Under the majority leader's bill, able-bodied single individuals are required to work if they receive food stamps in 6 months of any 12, except that the Secretary may waive the work requirement for those in areas of unemployment exceeding 8 percent.

We agree. There ought not be any disagreement about that particular exemption. You cannot require someone to work if there are no jobs there. If there is 8 percent unemployment, then obviously it is very, very difficult in that competitive environment to accommodate people's job placement needs. And, as the majority leader does, so do we recognize and accept that fact and believe there are likely to be more options just as soon as the unemployment level drops but not until that time.

We have modified our exemption to the time limit to make it apply to those States with 8 percent unemployment. We hope that those on the other side of the aisle will not engage in a bidding war on the unemployment rate and raise it even higher. Welfare reform should not be a bidding war. It ought to be about putting welfare recipients to work.

I would like to make a few comments about modifications to the majority leader's amendment. While I have not yet read the modifications, if it is true that an exemption has been included so that women with children under 1 would not be required to work or, if they are required to work, the state must provide child care assistance, I hope my colleagues will take a close look at that provision.

A requirement to provide child care assistance to families with children under 1 is a real concern for many of us. This does not address the problem welfare mothers face. This is not realistic approach to a real barrier that women have to employment.

Only about 10 percent of welfare recipients have children under 1. But, about 60 percent of welfare families have children under 5. What does that mean? It means that about 50 percent of welfare recipients with preschool children, mostly young toddlers, would receive no day care assistance. What kind of child care fix would that be? No Senator should believe that somehow this addresses the problem. Obviously, it does not.

Child care is truly the linchpin between welfare and work. Under our Work First plan, we guarantee and fund child care assistance to mothers and recognize, if the parent's choice is between leaving children in the living room when they walk out the door and go to work and staying at home to care for their children, they are not going to leave the children at home. They are not going to allow their 2- or 3- or even 6-year-old children unattended for 6, 8, or 10 hours. That cannot work. What happens to those children? Who feeds them? Who cares for them? Who protects them? Who disciplines them? If child care is not going to be provided for, then what real expectation is there that somehow these mothers are going to be forced to go out that door and expect the system to work? It is not going to happen.

Let us not fool anyone, least of all ourselves. If we are going to make this work, let us address the problems. Let us not ignore them. Let us recognize that there are fundamental challenges we have to face.

One challenge, in my view, that is very controversial, but it ought not be, is that it is also awfully difficult to expect anybody to leave that house if they take a minimum wage job, work 40 hours a week, have a family of four and find themselves still below the legal definition of poverty. What kind of incentive is that to go to work?

So if we are going to address real work and real expectations of trying to achieve greater participation in the work force, then it would seem to me only logical that we have to make work pay.

We are at one of the lowest points we have been in terms of the purchasing power of minimum wage earners that we have been since the establishment of the minimum wage. That is something we have to address.

We also recognize that Medicaid is not going to help at all if people are forced to give it up when they go to work. They have to be eligible for some kind of health care, or they are not going to endanger their children's lives or good health by saying, ''Well, I am going to work. I am going to leave my kids in the living room. I am going to give up their health insurance because I want that minimum wage job that leaves me below the poverty line when I work 40 hours a week.'' That is not going to happen. So we have to recognize the importance of health care.

Finally, we have to deal with the issue of child care. I have children. The Presiding Officer certainly has, and he understands parenthood as well or better than anybody in this Chamber. And recognizing the need for child care is something that I hope we can all address when we come back. It is the linchpin, in my view, between welfare and work.

Mr. President, at this point, I ask unanimous consent that the following Senators be added as cosponsors to amendment No. 2282, the Work First welfare reform plan:

Senators BREAUX, MIKULSKI, ROCKEFELLER, MOYNIHAN, REID, KERREY, FORD, CONRAD, DORGAN, DODD, KERRY, LIEBERMAN, BINGAMAN, BRYAN, INOUYE, ROBB, EXON, MURRAY, FEINGOLD, BOXER, GLENN, AKAKA, LEVIN, FEINSTEIN, BUMPERS, LAUTENBERG, PRYOR, JOHNSTON, KENNEDY, and HEFLIN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, we are looking forward to a good debate when we return in September.

As the majority leader indicated, we had a good debate in the last couple of days. Something the distinguished Senator from Arkansas said earlier in the week is something I guess I will just leave on. He said that good legislators ought to be good educators. I hope that we can educate.

I hope we can lead a meaningful public debate about this issue, and not as partisans, but as people interested in solving a problem, and we can solve this one. I hope that we can have a good debate, recognize our philosophical differences, but deal with them in a way that will bring us to a resolution of a problem that has been with us for a long time.

With that, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there now be the period for the transaction of morning business, with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISTRICT OF COLUMBIA CONVENTION CENTER AND SPORTS ARENA AUTHORIZATION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar 180, H.R. 2108.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2108) to permit the Washington Convention Center Authority to expend revenues for the operation and maintenance of the existing Washington Convention Center and for preconstruction activities relating to a new convention center in the District of Columbia, to permit a designated authority of the District of Columbia to borrow funds for the preconstruction activities relating to a sports arena in the District of Columbia and to permit certain revenues to be pledged as security for the borrowing of such funds, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. COHEN. Mr. President, the Senate will move shortly to take up H.R. 2108, the District of Columbia Convention Center and Sports Arena Authorization Act of 1995. This legislation, which passed the House of Representatives last Friday, has two purposes.

The first is to authorize the District of Columbia to pledge revenues generated by the sports arena tax as security to borrow funds. These funds are to be used to pay for preconstruction activities, mostly site acquisition and preparation, for the new arena to be built in the Gallery Place area. Over the next several years, revenue from the new arena tax, which has been imposed on the District's business community, will be used to repay the debt.

The second purpose is to authorize the Washington Convention Center Authority to spend certain revenues for operating the current convention center and for costs associated with developing plans for a new convention center. These revenues are also generated by a special tax, in this instance an additional tax imposed on the District's hotels and restaurants.

Both of these projects are considered critically important to the future economic stability and growth of the District. The financial recovery of the Nation's Capital is important not only to those who live in the District but to all Americans. A new convention center and sports arena will help to revitalize areas of the city, generate badly needed revenue for the District, and create new businesses and jobs for the residents of the District and the surrounding communities. Both will also enhance civic pride and promote tourism. As a result, both projects have broad based support among local citizens and businesses.

As chairman of the Subcommittee on Oversight of Government Management and the District of Columbia, I conducted a hearing earlier this week on this legislation. The responsibility of the subcommittee and, ultimately, the Congress is to examine the financial soundness of the District's plans for spending these special tax revenues. In light of the District's current financial crisis, there is an even greater obligation to ensure the District is proceeding in a fiscally responsible manner before the Congress approves the pending legislation.

One aspect of the proposal that I have been concerned about over the past few days is the leasing arrangement being considered by the District to house some 720 employees that must be relocated from the buildings which are to be demolished on the proposed site. According to press reports, the council was expected to vote on a proposal from the Mayor to lease space for employees in two buildings owned by a local developer. The council, however, learned that the District had never independently confirmed whether the vacant buildings could be renovated by the October construction deadline and consequently the council did not vote on the $48 million lease. The Mayor subsequently negotiated a modified lease which was not submitted to the council before it adjourned its special session on August 10.

Concerns have been raised about the wisdom of the District entering into a long term lease at a time when the District and the D.C. Financial Control Board are looking at making significant cuts in personnel. In addition, some have suggested that the District may have space to relocate the affected employees to existing D.C. owned or leased buildings.

The first year lease costs for one of the buildings are included in the District's preconstruction costs and will be paid for by the arena tax. The remaining costs will be paid from the District's general fund and, therefore, any lease agreement will affect the District's 1996 budget and beyond. Consequently, Senator LEVIN, who is the ranking minority member of the subcommittee, and I believe it would be prudent for the Financial Control Board to review any leasing agreement given that the Board is currently reviewing the District fiscal year 1996 budget.

As a result of discussions with the Mayor and the Control Board, the Mayor has agreed by letter that he will furnish a copy of the lease to, and cooperate with, the Board to enable it to provide a written analysis of the lease.

Mr. President, I ask unanimous consent that a letter to me from Mayor Barry be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE DISTRICT OF COLUMBIA,
Washington, DC., August 10, 1995.

Hon. WILLIAM COHEN,
Chairman, Subcommittee on Oversight of Government Management and the District of Columbia, Hart Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for the opportunity to meet with you and Senator Carl Levin this afternoon to discuss your interest in the D.C. Sports Arena and H.R. 2108. As I indicated in our meeting, we have been successful in negotiating a lease for relocating our employees at 605 and 613 G Street, that is economically and programmatically advantageous to the District in that it saves the District $25 million in potential rent payments.

As the basis for using your best efforts to obtain Senate approval of H.R. 2108, I agree to the following:

First, to provide by no later than 12:00 p.m. on August 11, 1995, to the U.S. Senate Oversight Subcommittee and the Financial Authority copies of the original and modified leases previously submitted to the D.C. City Council;

Second, to cooperate with the Financial Authority to enable it to provide by August 18, 1995, a written analysis of the lease terms;

Third, to use my best efforts, working with the Chairman of City Council, to obtain from the D.C. Council, its approval or disapproval of the original or modified lease by September 13, but not before the Council receives the written analysis from the Financial Authority; and

Fourth, to obtain a letter of commitment, which is legally binding, from the developer, R. Donahue Peebles, that commits him and the District to the terms of the modified lease, notwithstanding the fact that the original lease will be deemed approved on September 14, absent disapproval by D.C. City Council.

Sincrely,

MARION BARRY, JR.,
Mayor.

I have been duly informed and agree with the terms of this letter.

R. Donahue Peebles.

Mr. COHEN. In addition, he will also make every effort to have the D.C. Council consider the lease by September 13.

Finally, I want to note that passing this legislation does not resolve any controversies surrounding the process by which the agreement for the new arena has been reached. These are matters for the citizens of the District and their elected representatives to decide and for the appropriate regulatory and judicial forums to resolve. Final action by Congress on this bill should not be construed as interfering with or affecting the administrative or legal rights of any individual or organization pertaining to the District's decisions on the arena or convention center.

Mr. DOLE. Mr. President, I ask unanimous consent that the bill be deemed read the third time and passed; that the motion to reconsider be laid upon the table; and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (H.R. 2108) was deemed read the third time and passed.

THE SMALL BUSINESS LENDING ENHANCEMENT ACT OF 1995

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 166, S. 895.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 895) to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the Administration, and for other purposes, which had been reported from the Committee on Small Business, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Small Business Lending Enhancement Act of 1995''.

SEC. 2. REDUCED LEVEL OF PARTICIPATION IN GUARANTEED LOANS.

Section 7(a)(2) of the Small Business Act (15 U.S.C. 636(a)(2)) is amended to read as follows:

''(2) LEVEL OF PARTICIPATION IN GUARANTEED LOANS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), in an agreement to participate in a loan on a deferred basis under this subsection (including a loan made under the Preferred Lenders Program), such participation by the Administration shall be equal to—

''(i) 75 percent of the balance of the financing outstanding at the time of disbursement of the loan, if such balance exceeds $100,000; or

''(ii) 80 percent of the balance of the financing outstanding at the time of disbursement of the loan, if such balance is less than or equal to $100,000.

''(B) REDUCED PARTICIPATION UPON REQUEST.—

''(i) IN GENERAL.—The guarantee percentage specified by subparagraph (A) for any